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SUBJECT: CHONGQING LABOR LAWYER SEES LEGAL SYSTEM PROGRESS

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¶1. (U) This cable contains sensitive but unclassified information - not for distribution on the Internet.

¶2. (SBU) Summary: After 13 years of advocating for migrant workers' legal rights, Chongqing lawyer Zhou Litai says he has seen positive progress, especially in the PRC's legal system. Zhou's firm faces significant challenges, however, including local officials' willingness to overlook the law in favor of economic development, official pressure for him to close down, and clients' lack of funds to pay legal fees. The global financial crisis hit migrant workers -- and his firm -- particularly hard, with many workers suddenly out of work and even those whose cases he won often unwilling to pay him out of their meager winnings. Zhou sought USG funding for a worker rights legal library based on prior cases. Guizhou Province is an exception to the trend toward progress on worker rights, Zhou said, with the provincial government and local courts refusing to address even salary-related cases. End Summary.

¶3. (SBU) Consul General met September 22 with labor lawyer Zhou Litai, founder and head of the Chongqing Zhou Litai Law Firm. Established in Chongqing in 2001, the firm now employs over 75 people across three offices, including Shenzhen (added in 2005 to handle Guangdong cases), and another in Wanzhou, Chongqing Municipality (added in 2008). The firm's Chongqing offices have a dormitory-style arrangement and in-house cook, with all lawyers living and eating together, which Zhou said allows him to keep lawyers on staff that otherwise would not be able to survive on the low salary he offers of roughly RMB 2,000 per month (USD 300). Zhou draws his lawyers from rural areas, and some are even former migrant farmers themselves. Lawyers from urban areas cannot do this work well, Zhou said, as they lack an experience-based understanding of what rural and migrant worker life is really like.

¶4. (SBU) Zhou started offering legal assistance to migrant workers in 1996 to secure their labor rights, and reports that, all told, he has filed more than 13,000 cases. Though originally Zhou accepted only injury or death cases in the immediate vicinity of his offices, he now accepts cases from all over China except the TAR, and has broadened his practice to include workplace injury, salary arrears, social security, and disputes involving resettlement in the area of the Three Gorges Dam.

Zhou Sees Positive Progress, Yet Challenges

¶5. (SBU) After 13 years of advocating for migrant workers' legal rights, Zhou told CG he has seen positive progress, particularly improvements in the PRC's legal system. The central government has published a series of laws and regulations to protect workers' rights and has increased standards for compensation of injured workers, he said. Zhou's firm has helped migrant

workers realize that they have rights protected under PRC law and has helped them increasingly turn to the legal system for protection. These efforts have drawn significant media attention at home and abroad, Zhou added, including reports by China's CCTV, the BBC, CNN, and others.

¶6. (SBU) Despite these positive trends, Zhou still faces significant obstacles in his work. Local protectionism, for example, remains a serious problem as local governments, eager to develop the economy, are willing to overlook provisions of the law and sacrifice the health -- or even lives -- of workers, he said. The firm itself faces pressure from government entities unhappy with Zhou's lawsuits, and often receives little to no support from related government departments. The government cannot actually force his firm to close, however, because every step he and his firm takes in their cases are in accordance with the law, he said. Financially, the firm faces difficulties in that their clients lack funds to pay for legal services, and some clients simply disappear after winning a case and receiving compensation, leaving the attorney fees unpaid. The firm's low paychecks also mean retention of lawyers is difficult, he added.

Lawyer Appeals to USG for Grants: Photos of Limbless Workers

¶7. (SBU) Mr. Zhou made a strong appeal for three million RMB (440,000) in grant monies from the U.S. Government to establish a legal reference library based on the thousands of worker rights cases that he has filed since 1996. Zhou took CG into a storage room with piles of boxed documents, from which he took out three black shoe boxes filled with dozens of group photos of Chinese workers who had lost one or more limbs in industrial accidents. (Note: CG told Zhou that there was often an annual cycle for applying for grants of this type, and promised to notify Zhou should an opportunity arise to apply for worker

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rights-related grants. End Note.)

Impact of Financial Crisis, Returning Migrant Workers

¶8. (SBU) Despite signs of "recovery" in the financial system, Zhou's firm continues to see and feel the impact of the global financial crisis on the migrant labor community, he said. During a previous meeting with PolEconOff, Zhou described these challenges in greater detail, saying that due to the crisis many businesses were unwilling to pay overtime as they had in the past. An increased number of bankrupt companies also were unable to pay workers as factories simply closed overnight, giving workers just enough to get home. As a consequence, the types of cases Zhou's firm saw changed, shifting from a predominance of workplace injury cases to issues of compensation, social security, and unemployment insurance. Moreover, he noted, their success rate declined, and even plaintiffs who won their cases were been reluctant to pay the firm for its services.

Guizhou Province: Worker Rights Not Protected

¶9. (SBU) The province hardest hit by the meltdown in terms of the effect on migrant labor, Zhou assessed, was Guizhou. "Guizhou is not a legal society," he said, and the labor and legal situation there is particularly egregious, with courts and local politicians uneager to help workers. Guizhou courts are unwilling to even accept salary-related cases, he told PolEconOff. Zhou stressed his view that unhappiness among Guizhou's migrant labor population, combined with lack of access to legal remedies, were a significant contributor to the public outrage that spilled over in the July 2008 riots in Weng'an, sparked by public reaction to local police handling of the death of a teenage girl.

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